

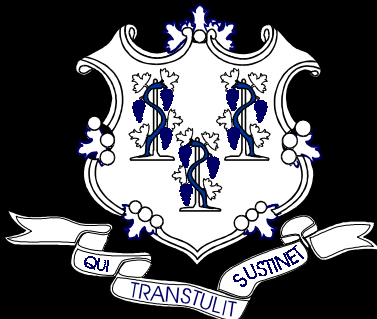
1999

FORM CT-1120SI

Connecticut S Corporation Information and Composite Income Tax Return and Instructions

This booklet
contains:

- Form CT-1120SI
- Form CT-1120SI EXT
- Form CT-1NA
- Form CT-2NA
- Form CT-1120SIES



Dear Customer:

Over the past five years, the State of Connecticut has cut taxes by \$1.6 billion — with half that amount directly benefiting Connecticut businesses, and the balance reducing the tax burden on individual taxpayers. S corporations are seeing the results of those tax cuts, not only with the reduction in the S corporation business tax rates, but also with the phaseout of the percentage of net income subject to the tax. This is one of the ways Connecticut has recognized the importance of companies of all sizes who have helped contribute to the economic success of our State.

Again this year, there are important tax changes that can save you tax dollars, as well as streamline your tax reporting. Please be sure to read Page 5 to learn about changes to tax rates, procedures and tax credits. If you have questions about these changes, our Taxpayer Services personnel are ready to assist you by phone, e-mail or in writing. Use the information on the back cover of this booklet to reach them. Our Web site shown below is a valuable resource and is available 24 hours a day, seven days a week. Use it to download forms and other information that you may need.

At the Department of Revenue Services we are proud of the partnerships we have created with Connecticut businesses. Our efforts continue to be recognized regionally and nationally for their innovation and user-friendly approach to tax administration. If you have comments about our service, or ideas on how we can make improvements, please write or e-mail me through our Web site, or phone. I look forward to hearing from you.

Sincerely,

Gene Gavin
Commissioner of Revenue Services

Taxpayer information is available on our Web site:
www.state.ct.us/drs

Department of Revenue Services walk-in locations and telephone numbers are listed on the back cover.

CONN-TAX

If you have a touch-tone phone, you can obtain important income tax information 24 hours a day from CONN-TAX, the Department's information line. Call **1-800-382-9463** (toll-free from within Connecticut) or **860-297-5962** (from anywhere), press "1" to be connected to "Income Tax Information Menu," then press "2" to select "Recorded Income Tax Information." Enter the three-digit number next to the topic of your choice shown below, or follow the prerecorded instructions.

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Extended Telephone Hours for the 2000 Filing Season (Option "0"):

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| Tuesday, January 25 (until 7 p.m.) | Thursday, April 6 (until 7 p.m.) |
| Thursday, January 27 (until 7 p.m.) | Saturday, April 8 (8:30 a.m. - 12:00 p.m.) |
| Tuesday, February 1 (until 7 p.m.) | Thursday, April 13 (until 7 p.m.) |
| Thursday, February 3 (until 7 p.m.) | |

2000 Extended Telephone Personal Assistance and Walk-in Hours:

(25 Sigourney Street, Hartford Only)

- | |
|--|
| Saturday, April 15 (8:30 a.m. - 12:00 p.m.) |
| Monday, April 17 (until 8 p.m.) |
| Tuesday, April 18 (until 8 p.m.) |

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OTHER TAXES FOR WHICH THE S CORPORATION MAY BE LIABLE

The information that follows is intended to be a general description of certain other Connecticut taxes for which a corporation may be liable. Failure to pay these or any taxes for which the corporation may be liable may subject the corporation and its officers to civil and criminal penalties.

To register for sales and use taxes and Connecticut income tax withholding as well as most other Connecticut taxes administered by the Department of Revenue Services, the corporation must complete **Form REG-1, *Application for Tax Registration Number***. If the corporation already has a Connecticut Tax Registration Number, additional taxes for which the corporation is liable may be added to the registration by contacting the Department's Registration Unit at 860-297-4885.

Connecticut Sales And Use Taxes

A corporation may be responsible for the filing of sales and use tax returns. Sales taxes are due if the company

sells taxable goods or services. Use taxes are due on the purchase of taxable goods or services from out-of-state retailers, or Connecticut retailers who have failed to collect the sales tax. Both taxes are reported on **Form OS-114, *Sales and Use Tax Return***.

Connecticut Income Tax Withholding

Anyone who maintains an office or transacts business in Connecticut and who is considered an employer for federal income tax withholding purposes must withhold Connecticut income tax whether or not the payroll department is located in Connecticut.

Controlling Interest Transfer Taxes

Connecticut imposes a tax on the transfer of a controlling interest in an entity where the entity owns an interest in Connecticut real property. This tax is reported on **Form AU-330, *Controlling Interest Transfer Tax***.

LEGISLATIVE CHANGES

Phaseout of S Corporation Business Tax

Conn. Gen. Stat. §12-217(c)(2) provides for the phaseout of the corporation business tax on S corporations by reducing the percentage of net income subject to tax for income years beginning on or after January 1, 1997.

For Income Years Beginning on or After	But Before	Net Income Subject to Corporation Business Tax
1/1/1997	1/1/1998	90%
1/1/1998	1/1/1999	75%
1/1/1999	1/1/2000	55%
1/1/2000	1/1/2001	30%
1/1/2001	—	0%

For income years beginning on or after January 1, 2001, S corporations will no longer be subject to the minimum tax (\$250).

Conn. Gen. Stat. §12-701(a)(20) provides for a similar phaseout of the modification to the federal adjusted gross income for S corporation shareholders who are individuals. Conn. Gen. Stat. §12-701(a)(10) provides for a similar phaseout with respect to S corporation shareholders that are trusts or estates.

Refund Claim

In the case of any individual who files a claim for refund (under any provision of Title 12), the statute of limitations will be suspended during the period that the individual is financially disabled. An individual is **financially disabled** if such individual is unable to manage financial affairs by reason of a medically determinable physical or mental impairment which has lasted or can be expected to last

for a continuous period of at least twelve months. An individual is **not** financially disabled during any period that a spouse or other person is authorized to act on behalf of such individual in financial matters.

(1999 Conn. Pub. Acts 48, §2)

Reporting Federal Changes

If a taxpayer fails to report a change or correction by the Internal Revenue Service, a notice of proposed deficiency may be mailed at any time. If a taxpayer fails to report a change or correction by tax officers of another jurisdiction, a notice of proposed deficiency assessment may be mailed to the taxpayer at any time.

If a taxpayer reports a change or correction by the Internal Revenue Service, an assessment, if not deemed to have been made upon the filing of the report, may be made at any time but not later than three years after the report is filed. If a taxpayer reports a change or correction by tax officers of another jurisdiction, the assessment, if not deemed to have been made upon the filing of the report, may be made not later than three years after the report is filed.

(1999 Conn. Pub. Acts 121, §25)

Designated Private Delivery Services

On or after October 1, 1999, when sending payments to the Department, taxpayers may use certain private delivery services and satisfy the timely mailing or timely filing requirements. For more information, see *When to File Form CT-1120SI* on Page 7.

(1999 Conn. Pub. Acts 48, §1).

GENERAL INFORMATION

Where to Get Help

Assistance is available from 8:00 a.m. to 5:00 p.m., Monday through Friday, by visiting any of the Department's offices listed on the back cover of this booklet. If you visit, be sure to bring your **COMPLETED** federal Form 1120S, *US Income Tax Return for S Corporations*.

Where to Get Additional Forms and Publications

Connecticut tax forms and publications may be obtained from any of the resources listed on the front and back covers of this booklet. However, copies of Connecticut S corporation information and composite income tax forms are also available at most public libraries by photocopying them from the 1999 *Connecticut Package X* on file at the libraries. Forms may also be obtained by writing to:

DRS Forms Unit
25 Sigourney Street
Hartford CT 06106-5032

or by calling **1-800-382-9463** (toll-free from within Connecticut) and selecting **Option 2**; or **860-297-4753** (from anywhere). Both numbers are available 24 hours a day.

Who Must File Form CT-1120SI?

Every S corporation carrying on business or having the right to carry on business in Connecticut, as the term is used in Conn. Gen. Stat. §12-214, must file a return on **Form CT-1120SI**, *Connecticut S Corporation Information and Composite Income Tax Return*, regardless of the amount of its income (or loss). **Form CT-1120SI** must be filed in addition to filing **Form CT-1120S**, *Connecticut S Corporation Business Tax Return*.

For its 1999 income year, an S corporation is subject to Connecticut corporation business tax on 55% of its nonseparately stated S corporation income. The tax is reported on **Form CT-1120S** filed by the S corporation. A shareholder's pro rata share of S corporation income is reported on **Form CT-1120SI**, *Connecticut S Corporation Information and Composite Income*

Tax Return, and, unless the shareholder's income tax is remitted with **Form CT-G**, *Connecticut Group Income Tax Return*, or with **Form CT-1120SI**, the shareholder's income tax is remitted with the shareholder's income tax return (**Form CT-1040** or **Form CT-1040NR/PY**, if the shareholder is an individual, or **Form CT-1041**, if the shareholder is a trust or estate).

How Do Shareholders Report Their Income?

Resident Shareholders: S corporation income is included in each resident shareholder's federal adjusted gross income and therefore, is included in income reported on such shareholder's **Form CT-1040**, *Connecticut Resident Income Tax Return*. The S corporation must provide each resident shareholder with a schedule of the amounts of Connecticut modifications that each shareholder must include on *Schedule 1* of his or her **Form CT-1040**. A Connecticut resident is an individual whose domicile is in this state or an individual whose domicile is not in this state but who maintained a permanent place of abode in Connecticut **and** spent more than 183 days in this state during the taxable year.

Nonresident Shareholders: The S corporation must provide each nonresident shareholder with a schedule of amounts of S corporation income derived from or connected with sources within Connecticut for inclusion on *Schedule CT-SI* of each shareholder's **Form CT-1040NR/PY**, *Connecticut Nonresident or Part-Year Resident Income Tax Return*. Additionally, the S corporation must provide each nonresident shareholder with a schedule of Connecticut modifications that each shareholder must include on *Schedule 1* of his or her **Form CT-1040NR/PY**. Nonresidents, for purposes of these instructions and forms, will include all individuals and entities that are not residents.

Income Derived from or Connected with Connecticut Sources includes:

1. Income attributable to the ownership of any interest in real property or tangible personal property located in Connecticut **and** intangible personal property to the extent it is used in a business, trade, profession or occupation carried on **in Connecticut**;

2. Income attributable to a business, trade, profession or occupation carried on **in Connecticut**; and
3. The portion of a nonresident shareholder's pro rata share of S corporation income that is derived from or connected with Connecticut sources.

The S corporation must make a composite payment of all tax due for all nonresident individuals who do not agree to file a **Form CT-1040NR/PY**, or who do not elect to be included on a group return (**Form CT-G**). A nonresident shareholder who prefers to pay all tax due by filing **Form CT-1040NR/PY** must file a **Form CT-1NA**, *Connecticut Nonresident Income Tax Agreement*, with the S corporation prior to the filing date of the **Form CT-1120SI**. By filing **Form CT-1NA**, the nonresident shareholder agrees to file a **Form CT-1040NR/PY**, make timely payment of all tax due and be subject to personal jurisdiction in Connecticut for purposes of the collection of income taxes attributable to the S corporation. Each **Form CT-1NA** must be attached to and filed with the **Form CT-1120SI**. The S corporation must retain a copy of each **Form CT-1NA** with its records.

Accounting Period and Method of Accounting

An S corporation's accounting period and method of accounting for Connecticut tax purposes must be the same as the S corporation's accounting period and method of accounting for federal income tax purposes.

If an S corporation's accounting period or method of accounting is changed for federal income tax purposes, the accounting period or method of accounting must be similarly changed for Connecticut income tax purposes.

When to File Form CT-1120SI

You must file a return for a taxable period ending December 31 not later than April 15 of the following year, and, for any other taxable period, not later than the fifteenth day of the fourth month following the close of the taxable period. The return will be timely filed if the date shown by the U.S. Postal Service cancellation mark is on or before the due date of the return. If the due date falls on a Saturday, Sunday or legal holiday, the next business date is the due date. (Due to the Patriot's Day holiday, this return will be timely filed if received or if the date shown by the U.S. Postal Service cancellation mark

is on or before April 18, 2000.) If the return is filed late, the S corporation will be subject to penalties and interest. **In addition, the S corporation must separately file Form CT-1120S by the fifteenth day of the fourth month following the end of its income year.**

NOTE: On or after October 1, 1999, taxpayers can use certain private delivery services, in addition to the U.S. Postal Service, for delivering returns, claims, statements or other documents, or payments, and meet the timely mailing as timely filing/payment rules. DRS has accepted the list of private delivery services that is currently published by the Internal Revenue Services. The following are on the list of designated private delivery services: Airborne Express (Airborne), DHL Worldwide Express (DHL), Federal Express (FedEx), and United Parcel Service (UPS). This list is subject to change. For more information see **Special Notice 99(14)**, *Designated Private Delivery Services*.

If the S corporation is terminated, completely liquidated or has changed its accounting method during its normal taxable year, resulting in an accounting period of less than 12 months for federal income tax purposes, the return is due the 15th day of the fourth month after the end of the accounting period.

How to Request an Extension of Time to File the Return

To get an extension of time to file the annual return, the S Corporation must file **Form CT-1120SI EXT**, *Application for Extension of Time to File Connecticut S Corporation Information and Composite Income Tax Return*, not later than the fifteenth day of the fourth month following the close of the taxable period, together with payment of the total tax due. The filing of this form will automatically extend the due date for six months only if federal Form 7004, Application for Automatic Extension of Time to File Corporation Return, has been filed with the Internal Revenue Service. If federal Form 7004 was not filed, the S corporation can apply for a six-month extension to file **Form CT-1120SI**, provided there is reasonable cause for the request.

Form CT-1120SI EXT only extends the time to file a return, but it does not extend the time to pay the amount of income tax due. See Penalties and Interest on Page 8.

If an officer is unable, by reason of illness, absence or other good cause, to request an extension, any person standing in a close personal or business relationship

(including attorneys, accountants, and enrolled agents) to the officer may sign the request on his or her behalf, and shall be considered as a duly authorized agent for this purpose, provided the request sets forth the reasons for a signature other than that of an officer, and the relationship existing between the officer and the signer.

How to Request an Extension of Time to Pay the Tax

An S corporation that is making a composite income tax payment on behalf of its nonresident shareholders may be eligible for an extension of six months to pay the tax due with the composite return if it can be shown that paying the tax by the due date will cause undue hardship. To receive consideration, the S corporation must file **Form CT-1127, Application for Extension of Time for Payment of Income Tax**, on or before the due date of the original return.

The S corporation must attach **Form CT-1127** to the front of a timely filed **Form CT-1120SI** or a timely filed **Form CT-1120SI EXT**. As evidence of the need for extension, the S corporation must attach (1) a statement of assets and liabilities and (2) an itemized list of receipts and disbursements for the preceding three months. The S corporation must also explain why money cannot be borrowed to pay the tax due.

Shareholders who elect to be included on **Form CT-G** waive their right to request an extension of time to pay.

If an extension of time to pay is granted and full payment of tax is made on or before the end of the extension period, the 10% (.10) penalty will not be imposed. Interest of 1% (.01) per month or fraction of a month will continue to accrue on the underpayment from the due date of the original return until the tax is paid in full. Interest charges cannot be waived.

Where to File

Use the pre-addressed envelope enclosed with your return or mail to:

**State of Connecticut
Department of Revenue Services
PO Box 150406
Hartford CT 06115-0406**

Filing an Amended Return

If, after the S corporation files its return, changes or corrections to income or deductions are made, the S corporation must file an amended **Form CT-1120SI**. Complete the return using the corrected figures, as if you were filing it for the first time. Check the amended return block on the front of **Form CT-1120SI**.

Failure to Report Federal Changes

If the Internal Revenue Service changes or corrects the S corporation's return for any year, the S corporation is required to report such changes or corrections, by filing an amended **Form CT-1120SI**, within 90 days after the final determination of such changes or corrections. If the S corporation files an amended federal Form 1120S for any year, the S corporation is required to file an amended **Form CT-1120SI** within 90 days after filing the amended federal Form 1120S. A \$50 penalty is imposed for failing to comply with these requirements.

Internal Revenue Service Exchange Program

The Department of Revenue Services and the Internal Revenue Service maintain an extensive exchange program, routinely sharing computer tapes and audit results. Discrepancies between income and deductions reported on federal returns and on this return, except those allowed under state law, are identified and may result in a state audit or further investigation.

Penalties and Interest

Late Payment or Late Filing

If the S corporation fails to pay the tax when due, interest will be charged on the underpayment of tax at the rate of 1% (.01) per month or fraction thereof. The penalty for late payment is 10% (.10) of the balance due. In the event that no tax is due, the Commissioner of Revenue Services **may** impose a \$50 penalty for the late filing of any return or report that is required by law to be filed.

However, if a request for extension of time to file a tax return has been granted, no late payment penalty will be imposed if:

- The amount of tax shown to be due on the return minus the amount of tax paid on or before the original due date of the return equals an amount not greater than 10% of the amount of tax shown to be due on the return; **and**
- The balance due is remitted with the return on or before the extended due date of the return.

Failure to File

If the S corporation fails to file its return and the Commissioner of Revenue Services files a return for it, the penalty for failure to file is 10% (.10) of the balance due or \$50, whichever is greater.

Interest on Underpayment of Estimated Tax

If the shareholder did not pay enough tax through his or her own estimates or the S corporation did not pay enough estimated tax on the shareholder's behalf by any installment due date, the shareholder may be charged interest on the underpaid amount. This is true even if the shareholder is due a refund. Interest is figured separately for each installment. Interest can be calculated by using **Form CT-2210, Underpayment of Estimated Income Tax by Individuals, Trusts and Estates**, which may be obtained by calling the DRS Forms Unit. However, this is a complex form and you may prefer to have the Department calculate the interest for you.

Waiver of Penalty

The S corporation may be entitled to a waiver of penalty if the failure to pay the tax was due to reasonable cause. Before a penalty waiver can be granted, a taxpayer must pay all tax and interest due. Interest on underpayments or late payments of tax cannot be waived. Requests for a penalty waiver must be in writing and contain a clear and complete explanation. Do not include penalty waiver requests with **Form CT-1120SI**. Mail separately to:

**Department of Revenue Services
Penalty Review Committee
PO Box 5089
Hartford CT 06102-5089**

Group Returns for Nonresident Individual Shareholders

A group return may be filed on **Form CT-G**, and taxes paid on behalf of electing shareholders only by S corporations with ten or more qualified electing nonresident individual shareholders in a taxable year. All qualified electing nonresident individual shareholders must have the same taxable year. A *qualified electing nonresident shareholder* is one who meets **all** of the following conditions:

1. The shareholder was a nonresident individual for the **entire** taxable year;
2. The shareholder did not maintain a permanent place of abode in Connecticut at any time during the taxable year;

3. The shareholder (or his or her spouse if a joint federal income tax return is or will be filed) did not have income derived from or connected with sources within Connecticut other than the shareholder's pro rata share of S corporation income derived from or connected with sources within Connecticut;
4. The shareholder waives the right to claim any Connecticut personal exemption and any Connecticut personal credit;
5. The shareholder does not have a Connecticut alternative minimum tax liability for the taxable year; and
6. The shareholder elects to be included in **Form CT-G** by completing and delivering to the S corporation **Form CT-2NA, Connecticut Nonresident Income Tax Agreement/Election to be Included in a Group Return**, prior to the filing of **Form CT-G** by the S corporation. By making the election, the shareholder expressly consents to personal jurisdiction in Connecticut for Connecticut income tax purposes and waives his or her right to request, on his or her own behalf or with others making such election, an extension of time to pay Connecticut income tax.

Estimated Tax Requirements

A payment of estimated income tax is generally required if your Connecticut income tax (after credits) minus Connecticut tax withheld is more than \$500, and you expect your Connecticut tax withheld to be less than your required annual payment. Use **Form CT-1120SI ES** to make estimated payments.

The **required annual payment** is the lesser of:

- 90% of the tax shown on your 2000 Connecticut income tax return; or
- 100% of the tax shown on your 1999 Connecticut income tax return, if you filed a 1999 income tax return that covered a 12 month period.

For the taxable year beginning in 2000, to calculate the estimated Connecticut composite income tax payment, follow the instructions for the 1999 **Form CT-1120SI**, Part I, *Schedule A*, using each shareholder's estimated pro rata share of S corporation income. However, in calculating the amounts to enter on **Form CT-1120SI**, Part VI, Lines 4 and 9, substitute 30% wherever 55% is used in the 1999 instructions.

You are not required to make estimated income tax payments if you did not file a 1999 income tax return

because you did not have any Connecticut income tax liability during your 1999 taxable year and you were either (1) a resident, or (2) a nonresident or part-year resident with income derived from or connected with sources in Connecticut.

Installment Amounts and Due Dates

For estimated tax purposes there are four required installments for each taxable year. The amount of any required installment is 25% of the required annual payment. The due dates for the required installments are:

- **April 18, 2000**
- **June 15, 2000**
- **September 15, 2000**
- **January 16, 2001**

If the due date falls on a Saturday, Sunday or legal holiday, the next business day is the due date.

Annualized Income Installment Method

If a shareholder does not receive income evenly throughout the year, the shareholder may be able to lower or eliminate the interest otherwise due for not making estimated payments in the four equal installments by calculating his or her underpayments using the ***annualized income method***. The required estimated tax payment using the annualized income method for one or

more periods may be less than the amount figured using the equal installment method. If the shareholder establishes that the annualized income installment is less than the equal installment method, the shareholder may use the annualized income method to determine the amount of the estimated tax payments.

For each installment, the shareholders' aggregate estimated tax payments may be reported by using one Form CT-1120SI ES.

Recordkeeping

Keep a copy of your tax return, worksheets used, and records of all items appearing on the return until the statute of limitations expires for that return. Usually, this is three years from the date the return was due or filed.

This information may be needed to prepare future returns or to amend filed returns.

Copies of Returns

You may request a copy of a previously filed Connecticut income tax return from the Department by completing **Form LGL-002, *Request for Disclosure of Tax Return or Tax Return Information***. It generally takes three weeks to fill such requests.

FORM CT-1120SI INSTRUCTIONS

General Instructions

Enter the S corporation's name, address, Federal Employer Identification Number, and Connecticut Tax Registration Number.

Check the appropriate box(es) for an amended return, final return or both.

Enter the total number of shareholders, whether resident or nonresident, during the taxable year. The number of shareholders is determined as of the end of the S corporation's taxable year.

Rounding Off to Whole Numbers

Generally, you may round off cents to the nearest whole dollar on your return and schedules. However, if you need to add two or more amounts to compute the amount to enter on a line, include cents when adding and round off only the total. Round down to the next lowest dollar all amounts that include 1 through 49 cents. Round up to the next highest dollar all amounts that include 50 through 99 cents.

<p>Example: \$1.29 becomes \$1.00 and \$3.50 becomes \$4.00. If you elect to round off, do so for all amounts.</p>

Part I - Schedule A S Corporation Shareholder Information and Composite Return

This part must be completed for all S corporations that have any nonresident shareholders who have failed to submit a completed **Form CT-1NA** or **Form CT-2NA** to the S corporation.

- **Form CT-1NA** is an agreement that the nonresident shareholder will file **Form CT-1040NR/PY**.
- **Form CT-2NA** is the election of the shareholder to be included on **Form CT-G**.

Column A - Shareholder's Name and Identification Number

Enter the names and Federal Employer Identification Numbers or Social Security Numbers of the shareholders who must be included in the composite return.

Column B - Connecticut Source Income

For each nonresident who is a shareholder and who is included in the composite return, enter the shareholder's Connecticut source income. This amount is the total of the amounts entered on **Form CT-1120SI**, Part V, Lines 1 through 8. **The federal rules apply regarding restrictions in netting only similar characters of income.**

Column C - Tax

Multiply the income derived from or connected with sources within Connecticut in Column B by 4.5% (.045) to compute the tax liability for each nonresident individual shareholder included in the composite return. Enter the total for all such shareholders on Line 9.

Column D - Estimated Tax Paid

If any estimated composite tax was paid by the S corporation, use this column to allocate the amount paid among the nonresident individual shareholders included in the composite return. Enter the total estimated tax paid on Line 10.

Column E - Interest

Enter the amount of each shareholder's interest due. Use **Form CT-2210** to calculate the interest on underpayment. Enter the total interest due on Line 11.

If there are more than six nonresident shareholders, use the Supplemental Attachment to **Form CT-1120SI**, Part I, *Schedule A*, and Parts IV, V, and VI. The Supplemental Attachment is included in this booklet.

Part I - Schedule B Computation of Composite Return Tax Liability

Line 1 - Connecticut Source Income of Shareholders Included in Composite Return

Enter the total income derived from or connected with sources within Connecticut of all shareholders for whom the S corporation is filing the composite income tax return as entered on Part I, *Schedule A*, Line 8, Column B.

Line 2 - Tax Liability

Multiply the amount entered on Line 1 by 4.5% (.045) to compute the amount of tax liability. The amount computed should equal the amount entered on Part I, *Schedule A*, Line 9, Column C.

Line 3 - Payments of Estimated Tax

Enter the total payments of estimated tax made by the S corporation on behalf of the shareholders as entered on Part I, *Schedule A*, Line 10, Column D.

Line 4 - Payment Made with Extension Request

If **Form CT-1120SI EXT**, *Application for Extension of Time to File S Corporation Information and Composite Income Tax Return*, was filed, enter on Line 4 the amount of tax paid with **Form CT-1120SI EXT**.

Line 5 - Total Payments

Add Line 3 and Line 4. Enter the total on Line 5.

Line 6 - Overpayment

If Line 5 is more than Line 2, subtract Line 2 from Line 5 and enter the resulting amount on Line 6. This is the amount of overpayment.

Line 7 - Amount of Line 6 to be Applied to 2000 Estimated Tax

Enter the amount of the 1999 overpayment to be applied to the S corporation's 2000 estimated Connecticut composite income tax.

Line 8 - Amount of Refund

Subtract Line 7 from Line 6. Enter the result on Line 8. This is the amount of the refund due.

Line 9 - Amount of Tax Owed

If Line 2 is greater than Line 5, subtract Line 5 from Line 2, and enter the result on Line 9. This is the amount of tax owed.

Line 10 - Late Payment or Filing Penalty

The penalty for late payment of the tax due is 10% (.10) of the amount due. In the event that no tax is due, the Commissioner of Revenue Services **may** impose a \$50 penalty for the late filing of any return or report that is

required by law to be filed. However, if a request for extension of time to file a tax return has been granted, no late payment penalty will be imposed if:

- The amount of tax shown to be due on the return minus the amount of tax paid on or before the original due date of the return equals an amount not greater than 10% of the amount of tax shown to be due on the return, **and**
- The balance due is remitted with the return on or before the extended due date of the return.

Line 11 - Late Payment Interest

If the tax is not paid by the due date, interest is charged at the rate of 1% (.01) per month or fraction thereof from the due date until payment is made.

Line 12 - Underpayment of Estimated Tax

Enter the amount from Part I, *Schedule A*, Line 11. This is the total interest due on the underpayment of estimated income tax for all shareholders.

Line 13 - Balance Due with this Return

Add Lines 9 through 12 and enter the total on Line 13. Pay the balance due with this return. Make check or money order payable to the **Commissioner of Revenue Services**. Include the S corporation's Federal Employer Identification Number and **1999 Form CT-1120SI** on the front of the check or money order in the lower left corner. Do not send cash. Paper clip (do not staple) the check to the front of the return. Be sure to sign the check.

Signature

Form CT-1120SI must be signed by a corporate officer. A phone number must be provided.

Anyone you pay to prepare the return must sign it and fill in the other information requested in the paid preparer's area of the return. Any paid preparer required to sign the return must sign it by hand; signature stamps are not acceptable. The preparer's Federal Employer Identification Number, firm name, and firm address must also be entered in the space provided. Retain a copy of this return for the S corporation's records.

Attach to the return a copy of all applicable schedules and forms including Form CT-2210 for each shareholder, if applicable.

Part II - Income Apportionment

Complete Part II only if **all** of the following apply:

1. The S corporation has at least one shareholder who is a nonresident individual, trust or estate or a part-year resident individual or trust;
2. The S corporation carries on business both within and outside of Connecticut; and
3. The S corporation does not maintain books and records that satisfactorily disclose the portion of income, gain, loss or deduction derived from or connected with Connecticut sources.

The apportionment fraction calculated on Line 8 is used to complete Part V for the S corporation's nonresident shareholders.

Part II must still be completed even if an authorized alternate allocation method is used. A detailed explanation of the authorized alternate method used to determine the Connecticut income must be attached, together with full details of any adjustments increasing or decreasing the amount of Connecticut income computed by the authorized alternate method.

If the S corporation does maintain books and records that satisfactorily disclose the portion of income, gain, loss or deduction derived from or connected with Connecticut sources those amounts must be used to complete Part V.

Line 1 - Real Property Owned

Enter in Column A the average value of all real property owned everywhere by the business. Enter in Column B the average value of Connecticut real property owned by the business.

The average value of real property owned by the business is determined by adding its fair market value at the beginning and at the end of the taxable year and dividing the sum by two.

Line 2 - Real Property Rented from Others

Enter the value of all real property rented everywhere in Column A and the value of real property rented in Connecticut in Column B.

The average value of real property rented by the business from others and to be included on Line 2 is eight times the gross rent payable during the taxable year for which the return is filed.

Gross rent includes:

- Any amount payable for the use or possession of real property, or any part of it, whether designated as a fixed sum of money or as a percentage of sales, profits or otherwise;
- Any amount payable as additional rent or in lieu of rent such as interest, taxes, insurance, repairs or any other amount required to be paid by the terms of a lease or other agreement;
- The yearly amortization applicable to any improvement to real property made by or on behalf of the business which reverts to the owner or lessor upon termination of a lease or other arrangement.

However, if a building is erected on leased land by or on behalf of the business, the value of the building is determined in the same manner as if it were owned by the business.

Line 3 - Tangible Personal Property Owned or Rented from Others

Enter in Column A the average value of all tangible personal property owned or rented everywhere by the business. Enter in Column B the average value of tangible personal property owned or rented in Connecticut by the business. The average value of tangible personal property owned by the business is determined by adding its book value at the beginning and at the end of the taxable year and dividing the sum by two. The average value of tangible personal property rented from others is determined by multiplying by eight the gross rents payable during the taxable year for which the return is filed.

Line 4 - Property Owned or Rented

Add Lines 1, 2, and 3 in Column A and Column B. Enter the result on Line 4 in Column A and Column B. On Line 4, divide the Column B amount by the Column A amount. Carry the result to four decimal places and enter it on Line 4 in Column C.

Line 5 - Employee Wages and Salaries

Enter in Column A the total compensation paid to employees during the taxable year in connection with business operations carried on everywhere. Enter in Column B the total compensation paid to employees during the taxable year in connection with business operations carried on in Connecticut. Only enter wages, salaries, and other personal service compensation paid to **employees** of the business. Do not include payments to independent contractors, independent sales agents, etc. The compensation paid for services is in connection with

operations carried on in Connecticut if the employee works in or travels out of an office or other place of business located in Connecticut.

Divide the Column B amount by the Column A amount. Carry the result to four decimal places and enter it in Column C.

Line 6 - Gross Income from Sales and Services

Enter in Column A, total gross sales made and charges for services performed by the S corporation or by its employees, agents, agencies or independent contractors of the business everywhere. Enter in Column B the portion of total gross sales or charges that represents the sales made, or services performed, by the S corporation or by its employees, agents, agencies or independent contractors of the business in Connecticut. This includes sales made or services performed by employees, agents, agencies or independent contractors situated at, connected with, or sent out from offices of the business (or its agencies) located in Connecticut.

For example, if the sales territory of a salesperson working out of the Connecticut office of the business covers Connecticut, Massachusetts, and Rhode Island, all sales made by such salesperson are to be allocated to Connecticut and included on Line 6, Column B.

Divide the Column B amount by the Column A amount. Carry the result to four decimal places and enter it in Column C.

Line 7 - Total of Percentages

In Column C, add Lines 4, 5, and 6 and enter the total on Line 7, Column C.

Line 8 - Apportionment Fraction

Divide Line 7 by three (or by the actual number of percentages if less than three). Carry the result to four decimal places and enter it on Line 8, Column C.

Part III - Business Information

Attach a schedule that lists the exact location of each place where the S corporation carries on business. Briefly describe each place (such as sales office, agency, factory). Briefly describe the activity at the location shown (such as storage, administration, manufacturing).

Part IV - S Corporation Shareholder Information

Enter the name, address, Federal Employer Identification Number or Social Security Number (whichever is applicable), percentage of stock ownership (enter as a decimal and carry to four places), and residence status of **all** shareholders. Every shareholder whether an individual, trust or estate and whether resident or nonresident must be listed. **Assign each shareholder a number, and list in sequential order.**

If there are more than three nonresident shareholders, use the **Supplemental Attachment to Form CT-1120SI**, Part I, *Schedule A*, and Parts IV, V, and VI. The **Supplemental Attachment** is included in this booklet.

Each shareholder must be assigned the same "shareholder #" for Parts IV, V, and VI.

Example: If Mary L. Smith is identified as Shareholder #1 in Part IV, Mary L. Smith must also be identified as Shareholder #1 in Parts V and VI. If Mary L. Smith is a resident individual, so that no information is entered in Part V with respect to her, no entry would be made in Part V with respect to a person identified as Shareholder #1.

Part V - Computation of Connecticut Source Income of Nonresident Shareholders

Each shareholder must be assigned the same number for Parts IV, V, and VI.

Complete this part for all nonresident shareholders whether or not included on the composite return.

S corporations carrying on business both within and outside Connecticut must apportion the amount of each nonresident shareholder's pro rata share of items of income, gain, loss or deduction and the related Connecticut modifications to arrive at the Connecticut source income reported in Part V.

The character of the income (loss) for Connecticut income tax purposes must mirror the character of such income (loss) for federal income tax purposes.

Line 1 - Enter the Connecticut portion of each nonresident shareholder's pro rata share of nonseparately stated income or loss.

An S corporation that maintains books and records that satisfactorily disclose the portion of its nonseparately stated income or loss that is derived from or connected

with Connecticut sources must enter (on Line 1 in the appropriate column) the amount of each nonresident shareholder's pro rata share of that nonseparately stated income (as modified by the amount reported on Part VI, Line 9), or that nonseparately stated loss (as modified by the amount reported on Part VI, Line 4), as determined from those books and records. The portion of the S corporation's nonseparately stated income or loss that is derived from or connected with Connecticut sources (as determined from the S corporation's books and records) will be multiplied by the shareholder's pro rata share (%) of that income or loss.

An S corporation that does not maintain books and records that satisfactorily disclose the portion of its nonseparately stated income or loss that is derived from or connected with Connecticut sources must use the apportionment fraction computed on Part II, Line 8, or an authorized alternate method, to determine the portion of any item that is derived from or connected with Connecticut sources. This is accomplished by multiplying the amount of each shareholder's pro rata share of nonseparately stated income (as modified by the amount reported on Part VI, Line 9), or in the amount of each shareholder's pro rata share of nonseparately stated loss (as modified by the amount reported on Part VI, Line 4) by the S corporation's apportionment fraction as reported on Part II, Line 8, and entering the result on Part V.

Example 1: Assume that an S corporation, whose nonseparately stated income is entirely derived from its retail business, maintains books and records that satisfactorily disclose the portion of such income that is derived from or connected with each of its retail stores (including its stores in Connecticut). Assume that the S corporation has nonseparately stated income of \$500,000; Shareholder #1's pro rata share of the S corporation's nonseparately stated income is 10%; the amount of Shareholder #1's pro rata share of the Connecticut modification entered on Part VI, Line 9 is \$5,500; and the S corporation's books and records disclose that the portion of its nonseparately stated income that is derived from or connected with Connecticut sources is \$150,000. The S corporation must enter \$9,500 ($\$15,000 (\$150,000 \times 10\%) - \$5,500$) on Line 1 as the amount of Shareholder #1's pro rata share of the S corporation's nonseparately stated income that is derived from or connected with Connecticut sources.

Example 2: The facts are the same as in Example 1, except that the S corporation does not maintain books and records that satisfactorily disclose the portion of its nonseparately stated income that is derived from or connected with each of its retail stores. Assume that the S corporation's apportionment fraction as reported on Part II, Line 8, is 25% (.25). The S corporation must enter \$11,125 ($\$50,000 (\$500,000 \times 10\%) - \$5,500 \times .25 = \$11,125$) on Line 1 as the amount of Shareholder #1's pro rata share of the S corporation's nonseparately stated income that is derived from or connected with Connecticut sources.

Lines 2 through Line 8

The amounts entered on Lines 2 through 8 should also reflect the amount of the shareholder's pro rata share of Connecticut modifications (as reported on Part VI, Lines 1 through 3, 5 through 8, and 10) to the extent the modifications are Connecticut sourced.

Line 2 and Line 3 - Enter the Connecticut portion of the amount of the shareholder's pro rata share attributable to rental activities (gain or loss). Amounts attributable to real property located in Connecticut are 100% taxable for Connecticut income tax purposes to a nonresident shareholder. Amounts attributable to real property located outside Connecticut are not taxable for Connecticut income tax purposes to a nonresident shareholder.

Line 4 - Enter the Connecticut portion of the amount of the shareholder's pro rata share of portfolio income (loss). Items of income, gain, loss, and deduction derived from or connected with sources within Connecticut do not include such items attributable to intangible personal property except to the extent such intangible property is employed in a business, trade, profession or occupation carried on in Connecticut. For example, dividends from stock used as collateral to secure a business loan (for a Connecticut business) would be income from intangible property employed in a Connecticut trade or business and therefore would be subject to Connecticut income tax.

Enter the Connecticut portion of the amount of the shareholder's pro rata share of capital gain. If the amount relates to the sale of rental property located in Connecticut, the capital gain (loss) is 100% sourced to Connecticut.

Items of capital gain (loss) attributable to intangible personal property (such as the sale of stock) are not sourced to Connecticut except to the extent such capital gain is attributable to an intangible asset employed in a trade, business, profession or occupation carried on in Connecticut.

Example 3: Assume that Shareholder #3 has portfolio income sourced to Connecticut of \$5,000, and that \$1,000 of the \$5,000 is from interest on U.S. government obligations, and is reported on Part VI, Line 6. The Connecticut portion of the amount of this shareholder's pro rata share of portfolio income to be entered on Part V, Line 4 is \$4,000. $\$5,000 - \$1,000 = \$4,000$.

Line 5 - Enter the Connecticut portion of the amount of the shareholder's pro rata share allowed as a deduction for federal purposes under I.R.C. §179.

Unless the S corporation maintains books and records that satisfactorily disclose the portion of income, gain, loss or deduction derived from or connected with Connecticut sources, the Connecticut portion is calculated by multiplying the amount of the shareholder's share of such deduction from federal Schedule K-1 by the apportionment fraction on Line 8 of Part II of this return.

Line 6 - Enter the Connecticut portion of the amount of the shareholder's pro rata share of other deductions that are not deducted in arriving at ordinary income (loss) from trade or business activities and that are separately stated on the federal Schedule K-1.

Unless the S corporation maintains books and records that satisfactorily disclose the portion of income, gain, loss or deduction derived from or connected with Connecticut sources, the Connecticut portion is calculated by multiplying the amount of the shareholder's pro rata share of such items from federal Form 1120S, Schedule K-1 by the apportionment fraction on Line 8 of Part II of this return.

Line 7 - Enter the Connecticut portion of the amount of the shareholder's pro rata share of gain (loss) under I.R.C. §1231.

If the amount relates to rental property located in Connecticut, the gain (loss) is 100% sourced to Connecticut.

If the amount relates to a trade or business activity, unless the S corporation maintains books and records that satisfactorily disclose the portion of income, gain, loss or deduction derived from or connected with Connecticut sources, the Connecticut portion of such gain (loss) is calculated by multiplying the amount of the shareholder's pro rata share of such gain (loss) under I.R.C. §1231 from federal Form 1120S, Schedule K-1, by the apportionment fraction on Line 8 of Part II of this return.

Line 8 - Enter the Connecticut portion of the amount of the shareholder's pro rata share of other items of income, gain, loss or deduction not included on Lines 1 through 7 above.

Part VI - Shareholders' Share of Connecticut Modifications

Each shareholder must be assigned the same number for Parts IV, V, and VI.

Enter each shareholder's pro rata share of Lines 1 through 10.

This part is to be filled out for all shareholders.

ADDITIONS

Enter the amount of each shareholder's share as a positive number.

Line 1 - Interest on State and Local Government Obligations other than Connecticut

Enter the amount of each shareholder's pro rata share of interest income derived from state and municipal government obligations, other than obligations of the State of Connecticut or its municipalities, which interest income is not taxed for federal income tax purposes. Do not enter interest income derived from government obligations of Puerto Rico, Guam, American Samoa, and U.S. Virgin Islands.

Line 2 - Exempt-Interest Dividends Received from a Mutual Fund Derived from State or Municipal Government Obligations other than Connecticut

Enter the amount of each shareholder's pro rata share of exempt-interest dividends received from a mutual fund that are derived from state and municipal government obligations, other than obligations of the State of Connecticut or its municipalities. If the exempt-interest dividends are derived from obligations of Connecticut and other states, enter only the percentage derived from non-Connecticut obligations. Do not enter exempt-interest dividends derived from government obligations of Puerto Rico, Guam, American Samoa, and U.S. Virgin Islands.

Example: A fund invests in obligations of many states, including Connecticut. Assuming that 20% of the distribution is from Connecticut obligations, the remaining 80% would be added back on this line.

Line 3 - Certain Deductions Relating to Income Exempt from Connecticut Income Tax

Enter the amount of each shareholder's pro rata share of the amount deducted for federal income tax purposes for: (1) interest expense on loans used to buy bonds and securities whose interest is exempt from Connecticut income tax; (2) expenses related to income exempt from Connecticut income tax; and (3) amortizable bond premium on any bond, the interest from which is exempt from Connecticut income tax.

Line 4 - Ordinary Loss

Enter 55% of the amount of each shareholder's pro rata share of the S corporation's nonseparately computed loss (if any) multiplied by the S corporation's Connecticut corporation business tax apportionment fraction reported on **Form CT-1120S**, *Connecticut S Corporation Business Tax Return*.

Line 5 - Other

Use Line 5 to report the amount of each shareholder's pro rata share of additions to income which are not listed on Lines 1 through 4. For example, include the amount of each shareholder's pro rata share of:

- Any loss recognized on the sale of bonds or other obligations of the State of Connecticut or its municipalities;
- The S corporation's share of any positive Connecticut fiduciary adjustment received from a trust or estate of which the S corporation is a beneficiary;
- Any interest or dividend income on federal obligations or securities the federal government does not prohibit states from taxing;
- Income taxes imposed under Chapter 229 of the Connecticut General Statutes, and paid to Connecticut by the S corporation with a composite return on behalf of nonresident shareholders, to the extent deductible by such nonresident shareholders in determining their federal adjusted gross income;
- To the extent deductible in determining federal adjusted gross income, expenses paid for the production or collection of Connecticut tax exempt income, or paid for the management, conservation or maintenance of property held for the production of such income, and the amortizable bond premium for the taxable year on any bond the interest on which is exempt from Connecticut income tax.

SUBTRACTIONS

Enter the amount of each shareholder's share as a positive number.

Line 6 - Interest on United States Government Obligations

Enter the amount of each shareholder's pro rata share of interest income (to the extent included in federal adjusted gross income) that federal law prohibits states from taxing; for example all U.S. government bond interest such as Savings Bonds Series EE and Series HH, and U.S. Treasury bills and notes.

Do not enter the amount of interest earned on Federal National Mortgage Association (Fannie Mae) Bonds, Government National Mortgage Association (Ginnie Mae) Bonds, and Federal Home Loan Mortgage Corporation (Freddie Mac) securities. Federal law does not prohibit states from taxing income derived from these obligations, and this interest is taxed by Connecticut. For further information, including lists of exempt and taxable obligations, see **Policy Statement 92(3.1)**, *Connecticut Income Tax on Bonds or Obligations Issued by the United States Government, by State Governments or Municipalities*.

Line 7 - Exempt Dividends from Qualifying Mutual Funds Derived from U.S. Government Obligations

Enter the amount of each shareholder's pro rata share of exempt dividends that are received from a qualifying mutual fund and that are derived from U.S. government obligations. A mutual fund is a qualifying fund if, **at the close of each quarter of its taxable year**, at least 50% of the value of its assets consists of U.S. government obligations. The percentage of dividends that are exempt dividends should be reported to you by the mutual fund.

Do not enter the amount of income derived from Federal National Mortgage Association (Fannie Mae) bonds, Government National Mortgage Association (Ginnie Mae) bonds, and Federal Home Loan Mortgage Corporation (Freddie Mac) securities. Federal law does not prohibit states from taxing income derived from these obligations, and this income is taxable for Connecticut income tax purposes.

Example: A qualifying mutual fund pays a dividend of \$100. Of the \$100 distribution, 55% is attributable to U.S. Treasury bills and 45% to other investments. The amount that should be reported on Line 7 is \$55.

Line 8 - Certain Expenses Relating to Income Exempt from Federal Income Tax

Enter the amount of each shareholder's pro rata share of interest expense on money borrowed to purchase or carry bonds or securities, whose interest income is subject to Connecticut income tax but exempt from federal income tax, provided this interest was a business expense for the federal taxable year and was not deducted in determining the S corporation income.

Line 9 - Ordinary Income

Enter 55% of the amount of each shareholder's pro rata share of the S corporation's nonseparately computed income (if any) multiplied by the S corporation's Connecticut corporation business tax apportionment fraction reported on **Form CT-1120S**, *Connecticut S Corporation Business Tax Return*.

Line 10 - Other

Use Line 10 to report the amount of each shareholder's pro rata share of subtractions not listed on Lines 6 through 9. For example, include the amount of each shareholder's pro rata share of:

- Any gain recognized on the sale or exchange of bonds or other obligations issued by the State of Connecticut or its municipalities;
- Interest income from federally taxable Connecticut bonds;
- The S corporation's share of any negative Connecticut fiduciary adjustment received from a trust or estate of which the S corporation is a beneficiary;
- Any refund or credit for the overpayment of income taxes imposed by any state or province of Canada, to the extent such amount was included in federal adjusted gross income;
- Business expenses incurred in connection with the income, or property held to produce income, that is subject to Connecticut income tax but exempt from federal income tax (provided these expenses were not deducted in determining S corporation income);
- Amortization of bond premium on any bond, the interest from which is subject to Connecticut income tax but exempt from federal income tax (provided this amortization was business expense for the taxable year and was not deductible in determining S corporation income).

notes

CONNECTICUT TAX ASSISTANCE

FOR TAX INFORMATION

- Visit the DRS Web site at:
www.state.ct.us/drs
- Call CONN-TAX:
1-800-382-9463 (toll-free from within Connecticut) or
1-860-297-5962 (from anywhere)

TTY, TDD, and Text Telephone users only may transmit inquiries 24 hours a day, seven days a week by calling 860-297-4911.

Personal Taxpayer Assistance is available during business hours listed at right. Extended hours will be offered January through April. Call Conn-Tax or visit our Web site for details.

- Write to:
Department of Revenue Services
Taxpayer Services Division
25 Sigourney Street
Hartford CT 06106-5032

FORMS AND PUBLICATIONS

May be obtained 24 hours a day, seven days a week by using any of the following resources:

- Internet
Preview and download forms and publications from the DRS Web site at: www.state.ct.us/drs
- DRS TaxFax
Call 860-297-5698 from the handset attached to your fax machine and select from the menu; or
- Telephone
From a touch-tone phone call:
1-800-382-9463 (toll-free from within Connecticut) and select Option "2", or
1-860-297-4753 (from anywhere).

WALK-IN OFFICES

For free assistance or forms, visit our offices from 8:00 a.m. to 5:00 p.m. (Monday through Friday). For pre-recorded directions to DRS offices call CONN-TAX. If you require special accommodations, please advise the Department representative.

BRIDGEPORT
10 Middle Street
203-579-6251

HAMDEN
3074 Whitney Avenue, Bldg. #2
203-287-8243

HARTFORD
25 Sigourney Street
860-297-5962

NORWICH
2 Cliff Street
860-889-2669

WATERBURY *
91 Schrafts Drive
203-596-4310

* This office will be moving in 2000. To verify the address, please call before you visit.

STATEWIDE SERVICES

For information on statewide services and programs, visit the ConneCT Web site at www.state.ct.us

For questions about federal taxes, contact the Internal Revenue Service (IRS) at 1-800-829-1040.
To order federal tax forms, call 1-800-829-3676.

DEPARTMENT OF REVENUE SERVICES MISSION STATEMENT

The Mission of the Connecticut Department of Revenue Services is to administer the tax laws of the State of Connecticut and collect the tax revenues in the most cost effective manner; achieve the highest level of voluntary compliance through accurate, efficient, and courteous customer services; and perform in a manner which instills public confidence in the integrity, and fairness of the state's tax programs.

Bulk Rate
U.S. Postage
PAID
Hartford, CT
Permit No. 884

State of Connecticut
Department of Revenue Services
25 Sigourney Street
Hartford CT 06106-5032

(Rev. 12/99)

CONNECTICUT S CORPORATION

INFORMATION AND COMPOSITE INCOME TAX RETURN

1999

IMPORTANT: PLEASE READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

For calendar year 1999, or other taxable year ► beginning _____, 1999, and ► ending _____, _____.

Corporation Name ►			Federal Employer ID Number
Physical Address ►	Number and Street ►	PO Box ►	Date Received (FOR DEPARTMENT USE ONLY)
City or Town ►	State ►	ZIP Code ►	Connecticut Tax Registration Number

Check here if: Amended Return ☐ Final Return ☐ Total number of shareholders during the taxable year: Resident ► _____ Nonresident ► _____

PART I Schedule A (See instructions)

A		B	C	D	E
NONRESIDENT SHAREHOLDER'S NAME		Connecticut Source Income (See Instructions)	TAX (Col. B X .045)	Estimated Tax Paid, If Any	Interest (Form CT-2210)
1.	►	►			
2.	►	►			
3.	►	►			
4.	►	►			
5.	►	►			
6.	►	►			
7. Subtotal from additional schedules (if needed)					
8. Total Connecticut source income (Add Lines 1 - 7, Column B)					
9. Total composite return tax liability (Add Lines 1 - 7, Column C)					
10. Total estimated tax paid, if any (Add Lines 1 - 7, Column D)					
11. Total interest due (Add Lines 1 - 7, Column E)					

PART I Schedule B

COMPUTATION OF COMPOSITE RETURN TAX DUE

1. Total Connecticut source income of nonresident individual shareholders included in composite return (From Part 1, Schedule A, Line 8, Column B)	►	1	
2. Tax liability: Multiply Line 1 by 4.5% (.045)	►	2	
3. Payments of estimated tax, if any (From Part 1, Schedule A, Line 10, Column D)	►	3	
4. Payment made with extension request	►	4	
5. Total payments (Add Line 3 and Line 4)	►	5	
6. If Line 5 is more than Line 2, enter amount overpaid (Subtract Line 2 from Line 5)	►	6	
7. Amount of Line 6 to be applied to 2000 estimated tax	►	7	
8. Amount of Line 6 to be refunded (Subtract Line 7 from Line 6)	►	8	
9. If Line 2 is greater than Line 5, enter amount of tax owed (Subtract Line 5 from Line 2)	►	9	
10. If late: Enter Penalty (See instructions)	►	10	
11. If late: Enter Interest (1% (.01) X number of months late, or fraction thereof X amount on Line 9) ..	►	11	
12. Interest for underpayment of estimated tax (Attach Form(s) CT-2210 if applicable)	►	12	
13. Balance due with this return (Add Lines 9 through 12)	►	13	

Make check or money order payable to: COMMISSIONER OF REVENUE SERVICES

Mail to: Department of Revenue Services, PO Box 2967, Hartford CT 06104-2967 by the 15th day of the fourth month following the close of the taxable year.

DECLARATION: I declare under the penalty of false statement that I have examined this return and, to the best of my knowledge and belief, it is true, complete, and correct. (The penalty for false statement is imprisonment not to exceed one year or a fine not to exceed two thousand dollars, or both.) Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

SIGN HERE Keep a copy of this return for your records	Signature of Officer	Title	Date	Telephone Number ()
	Paid Preparer's Signature			Date
	Firm Name and Address ►			Federal Employer ID Number

Check if you used a paid preparer and do not wish forms sent to you next year. ► ☐ Checking this box does not relieve you of your responsibility to file.

PART II Income Apportionment (See instructions)

Complete this part **ONLY** if **ALL** of the following apply:

(A) There are one or more nonresident shareholders; and

(B) The S corporation carries on business both within and outside of Connecticut; and

(C) The books and records do not satisfactorily disclose the portion of income derived from or connected with Connecticut sources.

Items Used as Factors		Column A Totals Everywhere	Column B Connecticut Only	Column C Decimal Notation
1. Real property owned	1			Percent Column B is of Column A
2. Real property rented from others	2			
3. Tangible personal property owned or rented	3			
4. Property owned or rented (Add Lines 1, 2, and 3) ..	4			
5. Employee wages and salaries	5			
6. Gross income from sales and services	6			
7. Total (Add Lines 4, 5, and 6, Column C)	7			
8. Apportionment fraction (Divide Line 7 by three or actual number of fractions)	8			

PART III Business Information

Attach schedule to the back of this return listing all places, both within and outside of Connecticut, where the S corporation carries on business.

PART IV Shareholders Information

Shareholder # (List nonresidents first, residents next)

Federal ID Number
or Social Security Number

% Stock
Ownership

Nonresident
Yes No

▶ #		▶	▶		
▶ #		▶	▶		
▶ #		▶	▶		

PART V Nonresident Shareholders' Share of Connecticut Source Income (Including Connecticut Modifications)

Connecticut-sourced portion of items from federal Schedule K-1 (Form 1120S) (See instructions)	SHAREHOLDER		
	▶ # ____	▶ # ____	▶ # ____
1. Ordinary (nonseparately stated) income (loss)	▶	▶	▶
2. Net income (loss) from rental real estate activities	▶	▶	▶
3. Net income (loss) from other rental activities	▶	▶	▶
4. Portfolio income	▶	▶	▶
5. Expense deduction for property under I.R.C. §179	▶	▶	▶
6. Other deductions	▶	▶	▶
7. Net gain (loss) under I.R.C. §1231 (other than due to casualty or theft) ...	▶	▶	▶
8. Other income (loss) (Attach schedule)	▶	▶	▶

The S corporation must provide each nonresident shareholder with a schedule of amounts of income derived from or connected with sources within Connecticut for inclusion by the shareholder on the appropriate lines of *Schedule CT-SI* of **Form CT-1040NR/PY** or *Schedule CT-1041FA* of **Form CT-1041**, as the case may be.

PART VI Shareholders' Share of Connecticut Modifications

ADDITIONS — ENTER ALL AMOUNTS AS POSITIVE NUMBERS	SHAREHOLDER		
	▶ # ____	▶ # ____	▶ # ____
1. Interest on state and local obligations other than Connecticut	▶	▶	▶
2. Exempt-interest dividends on state and local obligations other than CT	▶	▶	▶
3. Certain deductions relating to income exempt from Connecticut Income Tax	▶	▶	▶
4. Ordinary loss (See instructions) Enter 55% of each shareholder's share	▶	▶	▶
5. Other (Specify)	▶	▶	▶
SUBTRACTIONS — ENTER ALL AMOUNTS AS POSITIVE NUMBERS			
	▶ # ____	▶ # ____	▶ # ____
6. Interest on U.S. obligations	▶	▶	▶
7. Dividends from certain mutual funds owning U.S. obligations	▶	▶	▶
8. Certain expenses related to income exempt from federal income tax but subject to Connecticut tax	▶	▶	▶
9. Ordinary income (See instructions) Enter 55% of each shareholder's share	▶	▶	▶
10. Other (Specify)	▶	▶	▶

The S corporation must provide each shareholder with the amounts of Connecticut modifications (as reported in Part VI) for inclusion by the shareholder on *Schedule 1* of **Form CT-1040** or **Form CT-1040NR/PY**, or *Schedule A* of **Form CT-1041**, as the case may be. The S corporation must also provide each nonresident shareholder with information about the portion of the amounts reported in Part VI that is Connecticut sourced for inclusion by the shareholder on *Schedule CT-SI* of **Form CT-1040NR/PY** or *Schedule CT-1041FA* of **Form CT-1041**, as the case may be.

(Rev. 12/99)

1999

**Application for Extension of Time to File Connecticut
S Corporation Information and Composite Income Tax Return****IMPORTANT! PLEASE READ INSTRUCTIONS ON REVERSE BEFORE COMPLETING THIS APPLICATION**

TAXPAYER (Please Type or Print)	Name of Corporation			Federal Employer ID Number
	Address	Number and Street	PO Box	Date Received (FOR DEPARTMENT USE ONLY)
	City, Town or Post Office	State	Zip Code	Connecticut Tax Registration Number

THIS IS NOT AN EXTENSION OF TIME TO PAY YOUR TAX.

YOU MUST INCLUDE PAYMENT IF ANY TAX IS DUE OR PENALTIES AND INTEREST MAY APPLY. (see instructions)

AN EXTENSION GRANTED BY THE INTERNAL REVENUE SERVICE DOES NOT AUTOMATICALLY EXTEND THE CONNECTICUT FILING DATE.

I request a six-month extension of time, to October 15, 2000, to file **Form CT-1120SI**, *Connecticut S Corporation Information and Composite Income Tax Return* for calendar year 1999, or until _____ for fiscal year ending ► _____.

This extension is **not** an extension to file **Form CT-1120S**, *S Corporation Business Tax Return*. **Form CT-1120S EXT**, *Application for Extension of Time to File S Corporation Business Tax Return* is used for that purpose.

A federal extension has been requested on federal Form 7004, Application for Automatic Extension of Time to File Corporation Income Tax Return, for calendar year 1999, or fiscal year beginning _____, 1999, and ending _____, _____. ☐ YES ☐ NO

If NO, the reason for the Connecticut extension is:

.....
.....
.....

— YOU WILL BE NOTIFIED ONLY IF THE EXTENSION REQUEST IS DENIED —

1. Total Connecticut S corporation composite income tax liability for 1999. (You may estimate this amount)	1		
NOTE: An amount must be entered on Line 1. If no tax is due, enter zero (0).			
2. The sum of 1999 estimated Connecticut S corporation composite income tax payments and any 1998 overpayment credited to 1999	2		
3. Connecticut S corporation composite income tax balance due (Subtract Line 2 from Line 1). Pay in full with this form. If Line 2 is greater than Line 1, enter zero (0)	3		

Make check or money order payable to: COMMISSIONER OF REVENUE SERVICES

Write the S Corporation's Federal Employer ID Number and "1999 Form CT-1120SI EXT" on the check or money order.

Mail to: State of Connecticut
Department of Revenue Services
PO Box 2967
Hartford CT 06104-2967

DECLARATION: I declare under the penalty of false statement that I have examined this application and to the best of my knowledge and belief it is true, complete, and correct. (The penalty for false statement is imprisonment not to exceed one year or a fine not to exceed two thousand dollars, or both.) Declaration of the preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge.

Sign Here Keep a copy of this return for your records	Signature of Corporate Officer	Title	Date	Telephone Number ()
	Paid Preparer's Signature		Date	Federal Employer ID Number
	Firm Name and Address			

FORM CT-1120SI EXT Instructions

Purpose

Use **Form CT-1120SI EXT**, *Application For Extension of Time to File Connecticut S Corporation Information and Composite Income Tax Return*, to request a **six-month extension to file** a Connecticut S Corporation Information and Composite Income Tax Return. It will not be necessary to include a reason for the Connecticut extension request if you have already filed an extension request on federal Form 7004 with the Internal Revenue Service.

This extension is not an extension to file Form CT-1120S, *S Corporation Business Tax Return*. Form CT-1120S EXT, *Application for Extension of Time to File S Corporation Business Tax Return* is used for that purpose.

If federal Form 7004 was not filed, the corporation can apply for a six-month extension to file **Form CT-1120SI**, *Connecticut S Corporation Information and Composite Income Tax Return*, provided there is reasonable cause for the request.

How to Get an Extension to File

To obtain a Connecticut filing extension, the corporation **must** complete and file **Form CT-1120SI EXT** by the due date of the return and pay the amount shown on Line 3.

You will be notified only if your extension request is denied.

Form CT-1120SI EXT, *Application For Extension of Time to File Connecticut S Corporation Information and Composite Income Tax Return*, **only** extends the **time to file Form CT-1120SI**, *Connecticut S Corporation Information and Composite Income Tax Return*. **Form CT-1120SI EXT does not extend the time to pay** the amount of tax due.

Form CT-1127, *Extension of Time to Pay*, must be filed to extend the due date for any payment due with this extension.

Penalty and Interest

In general, penalty and interest apply to any portion of the tax that is not paid on or before the original due date of the return. Interest will be computed on the underpayment of tax at the rate of 1% (.01) per month or fraction thereof computed from the statutory due date to the date of payment.

Late Payment Penalty: The penalty for underpayment of tax is 10% (.10) of such amount due.

Late Filing Penalty: In the event that no tax is due, the Commissioner of Revenue Services may impose a \$50 penalty for the late filing of any return or report that is required by law to be filed.

When To File Form CT-1120SI EXT

If you are filing a calendar-year **Form CT-1120SI**, *Connecticut S Corporation Information and Composite Income Tax Return*, file **Form CT-1120SI EXT** by April 15, 2000. (Due to the Patriots' Day holiday, this return will be timely filed if received or if the date shown by the U.S. Postal Service cancellation mark is on or before April 18, 2000.) If you are filing a fiscal-year **Form CT-1120SI**, *Connecticut S Corporation Information and Composite Income Tax Return*, file **Form CT-1120SI EXT** by the 15th day of the fourth month following the close of the fiscal year.

If the due date falls on a Saturday, Sunday or legal holiday, the next business day is the due date.

Required Information

Enter name of corporation, address, Federal Employer ID Number, and Connecticut Tax Registration Number.

Signature

This form must be signed by an officer of the corporation.

Others Who May Sign

Anyone with a signed Power of Attorney on file may sign on your behalf.

If a corporate officer is unable, by reason of illness, absence, or other good cause to sign a request for an extension, any person standing in a close personal or business relationship (including attorneys, accountants, and enrolled agents) to the corporate officer may sign the request on his or her behalf and will be considered a duly authorized agent for this purpose, provided the request sets forth the reasons for a signature other than that of a corporate officer and states the relationship existing between the corporate officer and the signer.

Where To File

Mail to: State of Connecticut
Department of Revenue Services
PO Box 2967
Hartford CT 06104-2967

FORM CT-1NA

CONNECTICUT NONRESIDENT INCOME TAX AGREEMENT

IMPORTANT – READ INSTRUCTIONS BELOW

Nonresident's Taxable Year Beginning _____, 1999, and Ending _____, _____		Taxable Year of S Corporation Beginning _____, 1999, and Ending _____, _____	
NONRESIDENT INDIVIDUAL'S NAME AND MAILING ADDRESS NAME STREET OR OTHER MAILING ADDRESS CITY OR TOWN STATE ZIP CODE		S CORPORATION NAME AND MAILING ADDRESS NAME STREET OR OTHER MAILING ADDRESS CITY OR TOWN STATE ZIP CODE	
SOCIAL SECURITY NUMBER ____-____-____	SPOUSE'S SOCIAL SECURITY NUMBER ____-____-____	CONNECTICUT TAX REGISTRATION NUMBER ____-____-____	FEDERAL EMPLOYER ID NUMBER ____-____-____

Internal Revenue Service Center Where Nonresident Individual's Federal Return is Filed _____

INSTRUCTIONS

Who May File: Any nonresident individual who is a shareholder of an S corporation that has income derived from or connected with sources within Connecticut may complete a **Form CT-1NA**, *Connecticut Nonresident Income Tax Agreement*. If no **Form CT-1NA** is attached to the S corporation's return and the shareholder is not part of a group return, the S corporation is required to include the nonresident's income derived from, or connected with, sources within Connecticut in the computation of the composite return tax due on **Form CT-1120SI**, *S Corporation Information and Composite Income Tax Return*. Nonresidents whose only connection with Connecticut is as shareholders of an S corporation carrying on business in Connecticut, do not have to file **Form CT-1040NR/PY**, *Connecticut Nonresident or Part-year Resident Income Tax Return*, if their income is included on **Form CT-1120SI**.

When and Where to File: **Form CT-1NA** must be completed and delivered to the S corporation prior to the filing of **Form CT-1120SI** by the S corporation for each taxable year. The due date for **Form CT-1120SI** is the 15th day of the fourth month following the close of the taxable year.

Declaration: I declare that I am or have been a nonresident of Connecticut, and hereby agree that I will timely file **Form CT-1040NR/PY**, *Connecticut Nonresident or Part-Year Resident Income Tax Return*, make timely payment of any income tax due on such return with respect to the income of the S corporation named above, and agree to be subject to personal jurisdiction in Connecticut for purposes of the collection of said income tax, together with any additions to tax, interest, and penalties.

This agreement shall be binding upon my heirs, representatives, assigns, successors, executors, and administrators.

Sign Here _____
Your Signature Date Spouse's Signature (if joint return) Date

FORM CT-2NA

CONNECTICUT NONRESIDENT INCOME TAX AGREEMENT/ ELECTION TO BE INCLUDED IN A GROUP RETURN

(Rev. 12/99)

IMPORTANT - READ INSTRUCTIONS BELOW

Nonresident's Taxable Year		Taxable Year of partnership	
Beginning _____, 1999, and Ending _____, _____		Beginning _____, 1999, and Ending _____, _____	
NONRESIDENT INDIVIDUAL'S NAME AND MAILING ADDRESS		PARTNERSHIP NAME AND MAILING ADDRESS	
NAME		NAME	
STREET OR OTHER MAILING ADDRESS		STREET OR OTHER MAILING ADDRESS	
CITY OR TOWN	STATE	ZIP CODE	
CITY OR TOWN	STATE	ZIP CODE	
SOCIAL SECURITY NUMBER	SPOUSE'S SOCIAL SECURITY NUMBER	CONNECTICUT TAX REGISTRATION NUMBER	FEDERAL EMPLOYER ID NUMBER
_____-_____-_____-	_____-_____-_____-		

Internal Revenue Service Center Where Nonresident Individual's Federal Return is Filed _____

INSTRUCTIONS

Who May File: Any individual who is a qualified electing nonresident partner in a partnership doing business in Connecticut or having income, gain, loss or deduction derived from or connected with sources within Connecticut is eligible to elect to be included in a group income tax return (**Form CT-G**) filed by the partnership. Use **Form CT-2NA, Connecticut Nonresident Income Tax Agreement/Election to be Included in a Group Return**, to make your election. A partnership is eligible to file a **Form CT-G** for a taxable year if it has ten or more qualified electing nonresident partners for that taxable year. The qualified electing nonresident partners must all have the same taxable year.

This election may also be made by any individual who is:

- A qualified electing nonresident shareholder in an S corporation doing business in Connecticut or having any income, gain, loss, or deduction derived from or connected with sources within Connecticut; or
- A qualified electing nonresident member of an LLC treated as a partnership for federal income tax purposes and doing business in Connecticut or having any income, gain, loss, or deduction derived from or connected with sources within Connecticut; or
- A qualified electing nonresident beneficiary of a trust or estate having any income, gain, loss, or deduction derived from or connected with sources within Connecticut.

NOTE: The filing of a group return will be considered to be a group of separate returns meeting the individual filing requirements imposed by the Connecticut Income Tax Act. The Department retains the right to require the filing of an individual Connecticut income tax return by any of the partners. However, a qualified electing nonresident partner may not revoke an election to be included in a group return, or elect to be included in a group return, after the 15th day of the fourth month following the close of partner's taxable year.

Terms also Applicable to S Corporation Shareholders, to LLC Members, and to Beneficiaries of Trusts or Estates:

Wherever reference is made in this form to **partnership** and **partner** the reference will be construed to include: S corporation and S corporation shareholder, respectively; LLC and LLC member, respectively; or trust or estate and beneficiary, respectively.

Wherever reference is made in this form to **nonresident partner's distributive share of partnership income derived from or connected with sources within Connecticut**, this reference will be construed to mean:

- For S corporations, each nonresident shareholder's pro rata share of income, gain, loss, and deduction derived from or connected with sources within Connecticut. For more information, see the instructions for 1999 **Form CT-1120SI**.
- For an LLC, each nonresident LLC member's distributive share of income, gain, loss, and deduction (net of modifications) derived from or connected with sources within Connecticut.
- For a trust or an estate, each nonresident beneficiary's share of trust or estate income, gain, loss, and deduction (net of modifications) derived from or connected with sources within Connecticut.

When and Where to File: Form CT-2NA must be completed and delivered to the partnership prior to the filing of **Form CT-G** by the partnership for each taxable year. The due date for **Form CT-G** is the 15th day of the fourth month following the close of the taxable year of the qualified electing nonresident partners. The partnership must keep **Form CT-2NA** in its records.

Declaration: I declare that I meet all of the following conditions for the taxable year: I was a nonresident individual for the entire taxable year; I did not maintain a permanent place of abode in Connecticut at any time during the taxable year; neither I nor my spouse (if a joint federal income tax return is or will be made), had income derived from or connected with Connecticut sources other than my distributive share of partnership income derived from or connected with sources within Connecticut for the taxable year; I waive my right to claim any Connecticut personal exemption and any Connecticut personal credit for the taxable year; I waive my right to request an extension of time to pay the Connecticut income tax; I did not have a Connecticut alternative minimum tax liability for the taxable year; I consent and agree to be subject to personal jurisdiction in Connecticut for purposes of the collection of Connecticut income tax, together with any additions to tax, interest, and penalties, for the taxable year; and I authorize the partnership to designate a partner who will act as my agent (and that of the other qualified electing nonresident partners) in filing the group return.

This agreement shall be binding upon my heirs, representatives, assigns, successors, executors, and administrators.

Sign Here

Your Signature

Date

Spouse's Signature (if joint return)

Date

CT-1120SI ES ESTIMATED CONNECTICUT COMPOSITE INCOME TAX PAYMENT 2000			
Federal Employer ID Number ▶	Connecticut Tax Registration Number ▶	PAYMENT 2	FOR TAXABLE YEAR ENDING
Name of Entity		DATE RECEIVED (For Department Use Only) ▶	
Address (Number and Street)		1. Payment Amount ▶	
City or Town	State	ZIP Code	

See instructions on reverse for filing requirements.

Make check or money order payable to: COMMISSIONER OF REVENUE SERVICES

Write the S corporation's Federal Employer Identification Number and

"2000 CT-1120SI ES" on check or money order.

Send completed coupon and payment to:

Department of Revenue Services

PO Box 2967

Hartford CT 06104-2967



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CT-1120SI ES ESTIMATED CONNECTICUT COMPOSITE INCOME TAX PAYMENT 2000			
Federal Employer ID Number ▶	Connecticut Tax Registration Number ▶	PAYMENT 1	FOR TAXABLE YEAR ENDING
Name of Entity		DATE RECEIVED (For Department Use Only) ▶	
Address (Number and Street)		1. Payment Amount ▶	
City or Town	State	ZIP Code	

See instructions on reverse for filing requirements.

Make check or money order payable to: COMMISSIONER OF REVENUE SERVICES

Write the S corporation's Federal Employer Identification Number and

"2000 CT-1120SI ES" on check or money order.

Send completed coupon and payment to:

Department of Revenue Services

PO Box 2967

Hartford CT 06104-2967

CT-1120SI ES ESTIMATED CONNECTICUT COMPOSITE INCOME TAX PAYMENT 2000			
Federal Employer ID Number ▶	Connecticut Tax Registration Number ▶	PAYMENT 4	FOR TAXABLE YEAR ENDING
Name of Entity		DATE RECEIVED (For Department Use Only) ▶	
Address (Number and Street)		1. Payment Amount ▶	
City or Town	State	ZIP Code	

See instructions on reverse for filing requirements.

Make check or money order payable to: COMMISSIONER OF REVENUE SERVICES

Write the S corporation's Federal Employer Identification Number and

"2000 CT-1120SI ES" on check or money order.

Send completed coupon and payment to:

Department of Revenue Services

PO Box 2967

Hartford CT 06104-2967



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CT-1120SI ES ESTIMATED CONNECTICUT COMPOSITE INCOME TAX PAYMENT 2000			
Federal Employer ID Number ▶	Connecticut Tax Registration Number ▶	PAYMENT 3	FOR TAXABLE YEAR ENDING
Name of Entity		DATE RECEIVED (For Department Use Only) ▶	
Address (Number and Street)		1. Payment Amount ▶	
City or Town	State	ZIP Code	

See instructions on reverse for filing requirements.

Make check or money order payable to: COMMISSIONER OF REVENUE SERVICES

Write the S corporation's Federal Employer Identification Number and

"2000 CT-1120SI ES" on check or money order.

Send completed coupon and payment to:

Department of Revenue Services

PO Box 2967

Hartford CT 06104-2967

Instructions for CT-1120SI ES

Fill in the ending date of the taxable year of the S corporation for which this payment is made. For calendar year filers, this would be December 31, 2000.

To determine the amount due and due date of payment, please refer to the instructions for Form CT-1120SI, *Connecticut S Corporation Information and Composite Income Tax Return*.


Estimated taxes must be paid for any nonresident shareholder who is included in the composite return and whose tax shown on the return exceeds \$500. Use Form CT-1120SI ES to make estimated payments.


The required annual payment is the lesser of:

- 90% of the tax shown on your 2000 Connecticut composite income tax return; or
- 100% of the tax shown on your 1999 Connecticut composite income tax return, if you filed a 1999 income tax return that covered a 12-month period.

For the taxable year beginning in 2000, to calculate the estimated Connecticut composite income tax payment, follow the instructions for the 1999 **Form CT-1120SI**, Part I, *Schedule A*, using each shareholder's estimated pro rata share of S corporation income. However, in calculating the amounts to enter on **Form CT-1120SI**, Part VI, Lines 4 and 9, substitute 30% wherever 55% is used in the 1999 instructions.

IMPORTANT: For those taxpayers whose taxable year is not the calendar year, the due dates of the installments must be adjusted to agree with the federal filing installment dates for that taxable year.

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For the taxable year beginning in 2000, to calculate the estimated Connecticut composite income tax payment, follow the instructions for the 1999 **Form CT-1120SI**, Part I, *Schedule A*, using each shareholder's estimated pro rata share of S corporation income. However, in calculating the amounts to enter on **Form CT-1120SI**, Part VI, Lines 4 and 9, substitute 30% wherever 55% is used in the 1999 instructions.

IMPORTANT: For those taxpayers whose taxable year is not the calendar year, the due dates of the installments must be adjusted to agree with the federal filing installment dates for that taxable year.

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The required annual payment is the lesser of:

- 90% of the tax shown on your 2000 Connecticut composite income tax return; or
- 100% of the tax shown on your 1999 Connecticut composite income tax return, if you filed a 1999 income tax return that covered a 12-month period.

For the taxable year beginning in 2000, to calculate the estimated Connecticut composite income tax payment, follow the instructions for the 1999 **Form CT-1120SI**, Part I, *Schedule A*, using each shareholder's estimated pro rata share of S corporation income. However, in calculating the amounts to enter on **Form CT-1120SI**, Part VI, Lines 4 and 9, substitute 30% wherever 55% is used in the 1999 instructions.

IMPORTANT: For those taxpayers whose taxable year is not the calendar year, the due dates of the installments must be adjusted to agree with the federal filing installment dates for that taxable year.